

Revised
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BLM

United States Department of the Interior Bureau of Land Management

Determination of NEPA Adequacy DOI-BLM-UT-PFO-UTU-77114

February 2015

Flat Canyon LBA

Location: Sanpete County, Utah

T. 13 S., R. 6 E., SLM,

Section 21, lots 1-4, E1/2E1/2;
Section 28, lots 1-8, S 1/2NW1/4, SW1/4;
Section 33, E1/2, E1/2W1/2, NW1/4NW1/4, SW1/4SW1/4;

T. 14 S., R. 6 E., SLM,

Section 4, lots 1-4, S 1/2NE1/2, S 1/2;
Section 5, lots 1-4, S1/2NE1/2, S1/2.

T. 13 S., R. 6 E., SLM,

Section 29, E1/2SE1/4, SE1/4NE1/4,
S 1/2NE1/4NE1/4; Section 32, E1/2E1/2.

Applicant/Address: Canyon Fuels Company, LLC

Price Field Office
125 South 600 West
Price, Utah 84501
435-636-3600
435-636-3657



Worksheet

Determination of NEPA Adequacy

U.S. Department of the Interior
Utah Bureau of Land Management

The signed CONCLUSION at the end of this worksheet is part of an interim step in the BLM's internal analysis process and does not constitute an appealable decision; however, it does constitute an administrative record to be provided as evidence in protest, appeals, and legal procedures. The lease, permit, or other authorizations based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.

OFFICE: Price Field Office

TRACKING NUMBER: DOI-BLM-UT-G020-2013-059-DNA

CASEFILE/PROJECT NUMBER: UTU-77114

PROPOSED ACTION TITLE/TYPE: Determination of NEPA Adequacy (DNA)

LOCATION/LEGAL DESCRIPTION: Sanpete County, Utah

T. 13 S., R. 6 E., SLM,

Section 21, lots 1-4, E1/2E1/2;
Section 28, lots 1-8, S 1/2NW1/4, SW1/4;
Section 33, E1/2, E1/2W1/2, NW1/4NW1/4, SW1/4SW1/4;

T. 14 S., R. 6 E., SLM,

Section 4, lots 1-4, S 1/2N1/2, S 1/2;
Section 5, lots 1-4, S1/2N1/2, S1/2.

T. 13 S., R. 6 E., SLM,

Section 29, E1/2SE1/4, SE1/4NE1/4, S 1/2NE1/4NE1/4;
Section 32, E1/2E1/2.

APPLICANT: Canyon Fuels Company, LLC

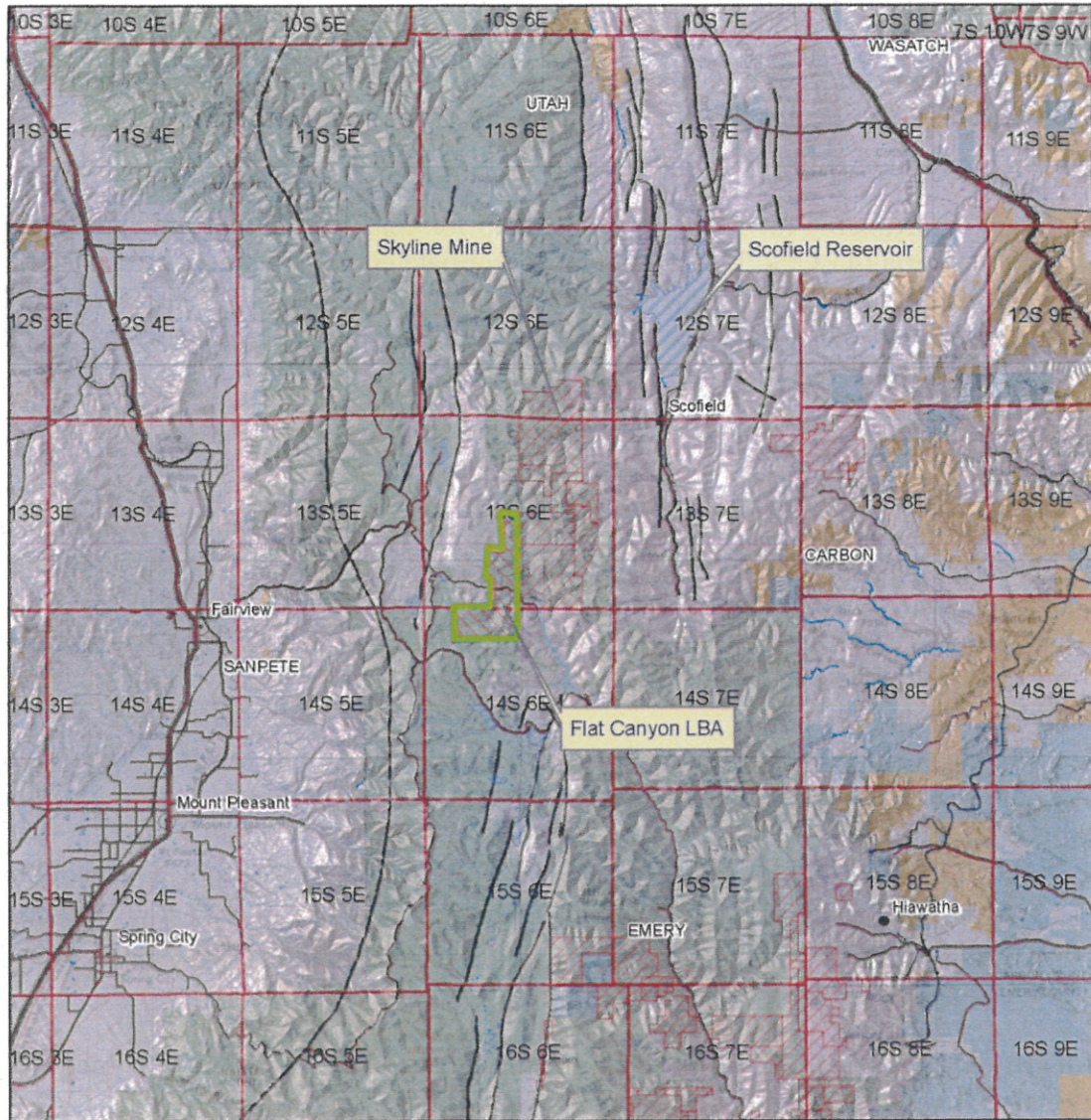
A. Description of the Proposed Action and Any Applicable Mitigation Measures

The Flat Canyon Lease by Application (LBA) proposal consists of leasing approximately 2,692 acres with the intent to mine approximately 41 million tons of coal. The NEPA analysis was performed on approximately 3,792 acres. The lease will be competitive, and mining will be entirely underground. The surface estate is split between the Manti-La Sal National Forest (2,692 acres) and private (1,100 acres) ownership. The Forest Service consented on February 1, 2013, to the lease and applied Special Stipulations which are listed in Attachment 1 of this document.

The reasonably foreseeable development scenario includes:

- Accessing coal resources via Skyline Mine portals located in Eccles Canyon; however, access could be achieved by constructing a mine shaft between Electric Lake and Boulder Reservoir
- Long-wall and room and pillar technologies will be utilized
- Multiple coal seams will be mined
- Full subsidence mining will be conducted in areas not specifically protected
- Up to two ventilation shafts could be needed, but no fans are foreseen since natural, positive ventilation is already present
- Short access roads would be required to access the ventilation shafts
- Reclamation of the access roads and the shafts would be accomplished at the end of the mine's life
- Up to ten exploration drill holes are anticipated with each hole disturbing approximately 0.9 acres. Reclamation of exploration activities would be accomplished as soon as the borings are completed and all pertinent information is gathered

Figure 1 Flat Canyon LBA Location Map



Utah Coal Lease Parcels Land Status

case_disp

- Authorized
- Pending

ut_lgd

- BLM Wilderness Area
- Bureau of Land Management (BLM)
- National Park Service (NPS)
- Private
- State
- US Forest Service (USFS)
- USFS Wilderness Area



B. Land Use Plan (LUP) Conformance

- The Manti-La Sal National Forest Land and Resource Management Plan, November 1986
- Price Resource Management Plan, October 2008

The proposed action is in conformance with the Manti-La Sal Forest and BLM Price Field Office LUPs because it is specifically provided for in the following LUP decisions:

Forest Service

The lease area is available for further consideration for coal leasing through application of the Unsuitability Criteria (43 CFR 3461.5) and an appropriate environmental analysis. (Letter to the Utah State Director of BLM from the Forest Supervisor, Manti-La Sal National Forest 2820-4, January 21, 2000) The Tract lies within the Huntington Canyon-Gentry Mountain coal Multiple-Use Evaluation Area (Forest Plan, pg. C-8).

BLM

Goals

- Provide opportunities for mineral exploration and development under the mining and mineral leasing laws subject to legal requirements to protect other resource values.
- Provide mineral materials needed for community and economic purposes.
- Support the need for domestic energy resources by managing and conserving the mineral resources without compromising the long-term health and diversity of public lands.

Objectives

- Maintain coal leasing, exploration, and development within the planning area while minimizing impacts to other resource values.

Management Decisions

MLE-2 Map R-24 shows areas that will be available for further coal leasing considerations.

MLE-3 Use the coal unsuitability determinations as identified in Appendix R-13. WSAs will be unsuitable for future consideration for coal leasing, but other areas will be suitable for leasing, with other restrictions.

C. Identify the applicable National Environmental Policy Act (NEPA) documents and other related documents that cover the proposed action.

Flat Canyon Coal FEIS 2002

Forest Service Record of Decision January 3, 2002

BLM Record of Decision April 11, 2002

Flat Canyon SIR 2012 (Supplemental Information Review

Flat Canyon BE/BA 2002 (Biological Evaluation/Biological Analysis)

DWR October 9, 2014 Sage-grouse Habitat Determination

D. NEPA Adequacy Criteria

1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?

☒ Yes
☐ No

Documentation of answer and explanation: The proposed action is identical to the decision made in 2002. There are no changes or modifications to the original proposal.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action (or existing proposed action), given current environmental concerns, interests, and resource values?

☒ Yes
☐ No

Documentation of answer and explanation: The range of alternatives in the Final Environmental Impact Statement (FEIS) is adequate for today's environmental standards. Four alternatives were analyzed: (A) No Action (no leasing); (B) leasing with no restrictions; (B') leasing with stipulations, but would allow the subsidence of sensitive resources, structures, and facilities; and (C) an alternative between Alternative B and Alternative B' which would not allow the subsidence of certain sensitive resources. Therefore, a full range of alternatives between full extraction and no extraction were considered.

3. Is existing analysis adequate in light of any new information or circumstances (such as, rangeland health standards assessment; recent endangered species listings, updated list of BLM sensitive species)? Can you reasonably conclude that new information and new circumstances would not substantially change the analysis of the new proposed action?

☒ Yes
☐ No

Documentation of answer and explanation: The analysis of the potential impacts is adequately addressed in the FEIS. Fourteen environmental subsets were analyzed: physiography, geology; coal reserves, mining, subsidence, and seismicity; facilities and structures; surface water, ground water, vegetation; wildlife including the greater sage grouse, recreation, visual quality, transportation; cultural and historic resources; and socio-economics. As reviewed by the Price Field Office staff, the analysis and conclusions set forth in the FEIS are adequate, and current laws, additional information, and changing circumstances are not considered significant.

In addition, the Forest Service conducted a Supplemental Information Review (SIR) in 2012 to see if any new information or circumstances exist. The SIR reviewed nine items that could have changed since the original EIS was published: inventoried Roadless areas and draft unroaded/undeveloped areas, surface water, ground water, hydrologic data, federally listed species (threatened, endangered, proposed, and candidate), forest sensitive species, macroinvertebrates, air quality, and climate change. The Forest Service determined that no new

information or circumstances exist. The PFO also concludes that new information and circumstances have not substantially changed, and the analysis is adequate.

4. Are the direct, indirect, and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?

☒ Yes
☐ No

Documentation of answer and explanation: The direct, indirect, and cumulative environmental effects were analyzed for each of the three alternatives; and for each alternative, fourteen aspects of the environment were analyzed in the FEIS. Price Field Office specialists reviewed the FEIS, its alternatives, its direct, indirect, and cumulative impacts and concluded that the effects would be similar in both quantity and quality as those specified in the FEIS.

More specifically, even though policies regarding Greater sage-grouse and management of Forest Service Roadless Areas have changed—the impacts anticipated in the FEIS are still consistent with current BLM and Forest Service policies.

Impacts to Sage Grouse were considered per IM-2012-043, the interim BLM policy for the Greater Sage-Grouse. Through this IM, the BLM has provided interim conservation policies and procedures across multiple programs while it considers amendments or revisions to their land use plans. The Price Field Office carefully considered the Greater sage-grouse with regard to IM-2012-043 and determined that there would be no negative effects.

The Forest Service also reviewed the FEIS, and as a result of that review, they determined that, “the analysis in the FEIS adequately displayed the effects of the selected alternative and the environment. None of the new information demonstrates that the project will affect the quality of the human environment in a significant manner or to a significant extent that is not already considered in the underlying document.” The authorized Forest Service officer found, “the new information and its effects would be within the context of the project’s ROD.” And found “no need to correct, supplement, or revise the FEIS or the January 3, 2002 decision.” (Supplemental Information Review, Allen Rowley, Acting Forest Supervisor, Manti-La Sal National Forest, February 1, 2013, p.7)

The LBA is within a U.S. Fish and Wildlife Service (Service) delineated PAC (Priority Areas for Conservation). The Service recognizes that state wildlife agencies have management expertise and has the management authority for Greater Sage-Grouse (<http://www.fws.gov/greatersagegrouse/documents/Greater%20Sage-grouse%20COT%20Fact%20Sheet.pdf>). The PAC boundaries are broad-brushed, in that they include areas not suitable for sage grouse. The Utah Division of Wildlife Resources (DWR) has classified the LBA area within the broader PAC boundary as Non-habitat. In a letter dated October 9, 2014, the DWR Regional Supervisor states: “Based upon a more detailed site specific review, it was determined by DWR that the areas proposed for license and exploration, though within an [Sage Grouse Management Area] SGMA, should be classified as non-habitat for greater sage-grouse based on topography and vegetation.”

The BLM reviewed the FEIS and the SIR and found the direct, indirect, and cumulative effects to be both quantitatively and qualitatively the same as those documented in the 2002 FEIS.

5. Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?

☒ Yes
☐ No

Documentation of answer and explanation: Public involvement was consistent with regulations associated with Environmental Impact Statements. A Notice was published in the Federal Register and local newspapers announcing the opportunity for the public to provide early scoping comments with a second Federal Register Notice and newspaper announcements providing the public an opportunity to comment on the draft EIS. Letters were sent out to the interested Tribes, local agencies, and industry. The public commented on the draft EIS and the document was modified to reflect those comments. Moreover, the SIR indicates that there is no new information available and circumstances have not changed significantly; therefore, no additional public involvement was further solicited.

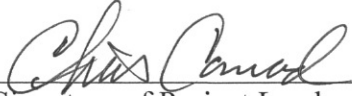
CONCLUSION

Plan Conformance:

- ☒ This proposal conforms to the applicable land use plan.
☐ This proposal does not conform to the applicable land use plan

Determination of NEPA Adequacy


- ☒ Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of the NEPA.
☐ The existing NEPA documentation does not fully cover the proposed action. Additional NEPA documentation is needed if the project is to be further considered.



Signature of Project Lead

2/19/15


Date



Signature of NEPA Coordinator

2-19-15

Date



Signature of the Responsible Official

2-26-15

Date

Note: The signed Conclusion on this Worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appealable decision. However, the lease, permit, or other authorization based on this DNA is subject to protest or appeal under 43 CFR Part 4 and the program-specific regulations.

ATTACHMENTS:
Special Coal Lease Stipulations

BLM ID Team Checklist
DWR October 9, 2014 Sage-grouse Habitat Determination

Documentation of survey and exploration. This information was consistent with regulations associated with environmental impact statements. A Notice was published in the Federal Register and local newspapers advertising the opportunity for the public to provide comments. A second Federal Register notice and newspaper notice were published providing the public an opportunity to comment on the Draft EIS. Letters were sent to the interested tribes, local agencies, and industry. The public comment on the Draft EIS was reviewed and the BLM indicated that the information available and circumstances have not changed significantly; therefore, no additional public involvement was further warranted.

CONCLUSION

Plan Comparison

- X This is a new action to the applicable land use plan.
 2. The proposed action is consistent with the applicable land use plan.

Revisions to NEPA/Decision

- X Based on the review decision, no changes were made to the proposed action. The proposed action is consistent with the applicable land use plan and the BLM's decision-making process. The proposed action is consistent with the BLM's decision-making process and the applicable land use plan.
 2. The existing NEPA/Decision does not fully cover the proposed action. The proposed action is consistent with the applicable land use plan and the BLM's decision-making process. The proposed action is consistent with the BLM's decision-making process and the applicable land use plan.

[Signature]
 Date

[Signature]
 Date

[Signature]
 Date

[Signature]
 Signature of Project Lead

[Signature]
 Signature of NEPA Coordinator

[Signature]
 Signature of the Responsible Official

Note: The signed Conclusion on this Worksheet is part of the record for the NEPA decision process and does not constitute an approval decision. However, the local, state, or other authorized party to this NEPA is subject to review or appeal under 43 CFR Part 1.10. The program specific regulations.

ATTACHMENTS
 Special Use Permits

ATTACHMENT 1

SPECIAL COAL LEASE STIPULATIONS

Federal Regulations 43 CFR 3400 pertaining to Coal Management make provisions for the Surface Management Agency, the surface of which is under the jurisdiction of any Federal agency other than the Department of Interior, to consent to leasing and to prescribe conditions to insure the use and protection of the lands. All or part of this lease contains lands the surface of which is managed by the United States Department of Agriculture, Forest Service, Manti-La Sal National Forest.

The following stipulations pertain to the Lessee responsibility for mining operations on the lease area and on adjacent areas as may be specifically designated on National Forest System lands.

Stipulation #1

Before undertaking activities that may disturb the surface of previously undisturbed leased lands, the Lessee may be required to conduct a cultural resource inventory and a paleontological appraisal of the areas to be disturbed. These studies shall be conducted by qualified professional cultural resource specialists or qualified paleontologists, as appropriate, and a report prepared itemizing the findings. A plan will then be submitted making recommendations for the protection of, or measures to be taken to mitigate impacts for identified cultural or paleontological resources.

If cultural resources or paleontological remains (fossils) of significant scientific interest are discovered during operations under this lease, the Lessee prior to disturbance shall immediately bring them to the attention of the appropriate authority. Paleontological remains of significant scientific interest do not include leaves, ferns or dinosaur tracks commonly encountered during underground mining operations.

The cost of conducting the inventory, preparing reports, and carrying out mitigating measures shall be borne by the Lessee.

Stipulation #2

If there is reason to believe that Threatened or Endangered (T&E) species of plants or animals, or migratory bird species of high Federal interest occur in the area, the Lessee shall be required to conduct an intensive field inventory of the area to be disturbed and/or impacted. The inventory shall be conducted by a qualified specialist and a report of findings will be prepared. A plan will be prepared making recommendations for the protection of these species or action necessary to mitigate the disturbance.

The cost of conducting the inventory, preparing reports and carrying out mitigating measures shall be borne by the Lessee.

Stipulation #3

The Lessee shall be required to perform a study to secure adequate baseline data to quantify the existing surface resources on and adjacent to the lease area. Existing data may be used if such data are adequate for the intended purposes. The study shall be adequate to locate, quantify, and demonstrate the interrelationship of the geology, topography, surface and ground water hydrology, vegetation and wildlife. Baseline data will be established so that future programs of observation can be incorporated at regular intervals for comparison.

Stipulation #4

Power lines used in conjunction with the mining of coal from this lease shall be constructed so as to provide adequate protection for raptors and other large birds. When feasible, power lines will be located at least 100 yards from public roads.

Stipulation #5

The limited area available for mine facilities at the coal outcrop, steep topography, adverse winter weather, and physical limitations on the size and design of access roads, are factors that will determine the ultimate size of the surface area utilized for the mine. A site-specific environmental analysis will be prepared for each new mine site development and for major improvements to existing developments to examine alternatives and mitigate conflicts.

Stipulation #6

Consideration will be given to site selection to reduce adverse visual impacts. Where alternative sites are available, and each alternative is technically feasible, the alternative involving the least damage to the scenery and other resources shall be selected. Permanent structures and facilities will be designed, and screening techniques employed to reduce visual impacts and, where possible, achieve a final landscape compatible with the natural surroundings. The creation of unusual, objectionable, or unnatural landforms and vegetative landscape features will be avoided.

Stipulation #7

The Lessee shall be required to establish a monitoring system to locate, measure, and quantify the progressive and final effects of underground mining activities on the topographic surface, underground and surface hydrology and vegetation. The monitoring system shall utilize techniques that will provide a continuing record of change over time and an analytical method for location and measurement of a number of points over the lease area. The monitoring shall incorporate and be an extension of the baseline data.

Stipulation #8

The Lessee shall provide for the suppression and control of fugitive dust on haul roads and at coal handling and storage facilities. On Forest Development Roads (FDR), Lessees may perform their share of road maintenance by a commensurate share agreement if a significant degree of traffic is generated that is not related to their activities.

Stipulation #9

Except at specifically approved locations, underground mining operations shall be conducted in such a manner so as to prevent surface subsidence that would: (1) cause the creation of hazardous conditions such as potential escarpment failure and landslides, (2) cause damage to existing surface structures, and (3) damage or alter the flow of perennial streams. The Lessee shall provide specific measures for the protection of escarpments, and determine corrective measures to assure that hazardous conditions are not created.

Limited subsidence zones consisting of perennial streams in the lease, Boulger Reservoir/Dam, SR-264, and Flat Canyon Campground are specifically approved for subsidence resulting from a single-seam of full-extraction mining. The limited- subsidence zones, where subsidence from a second overlapping seam of full-extraction mining is not approved, will be determined based on the typical angle-of-draw for past operations in the Skyline Mine Permit Area (23 degrees). "Angle-of-draw" is defined in the FEIS (pg. 4-7). The angle-of-draw will be applied to perennial stream buffer zones that include the natural floodplain and alluvium in perennial drainages, bounded by the first major slope break in the associated canyons. For structures, it will be applied to an area delineated by a 50-foot radius or distance from the major structures that could sustain damage.

Stipulation #10

In order to avoid surface disturbance on steep canyon slopes and to preclude the need for surface access, all surface breakouts for ventilation tunnels shall be constructed from inside the mine, except at specific approved locations.

Stipulation #11

If removal of timber is required for clearing of construction sites, etc., such timber shall be removed in accordance with the regulations of the surface management agency.

Stipulation #12

The coal contained within, and authorized for mining under this lease shall be extracted only by underground mining methods.

Stipulation #13

Existing Forest Service owned or permitted surface improvements will need to be protected, restored, or replaced to provide for the continuance of current land uses.

Stipulation #14

In order to protect big-game wintering areas, elk calving and deer fawning areas, sage grouse strutting areas, and other key wildlife habitat and/or activities, specific surface uses outside the mine development area may be curtailed during specified periods of the year.

Stipulation #15

Support facilities, structures, equipment, and similar developments will be removed from the lease area within two years after the final termination of use of such facilities. This provision shall apply unless the requirement of Section 10 of the lease form is applicable. Disturbed areas and those areas previously occupied by such facilities will be stabilized and rehabilitated, drainages re-established, and the areas returned to a previous land use.

Stipulation #16

The Lessee, at the conclusion of the mining operation, or at other times as surface disturbance related to mining may occur, will replace all damaged, disturbed or displaced corner monuments (section corners, 114 corners, etc.), their accessories and appendages (witness trees, bearing trees, etc.), or restore them to their original condition and location, or at other locations that meet the requirements of the rectangular surveying system. This work shall be conducted at the expense of the Lessee, by a professional land surveyor registered in the State of Utah, and to the standards and guidelines found in the Manual of Surveying Instructions, United States Department of the Interior.

Stipulation #17

The Lessees, at their expense, will be responsible to replace any surface and/or developed groundwater sources identified for protection, that may be lost or adversely affected by mining operations, with water from an alternate source in sufficient quantity and quality to maintain existing riparian habitat, fishery habitat, livestock and wildlife use, or other land uses (authorized by 36 CFR 251).

Stipulation #18

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM UNDER
JURISDICTION OF
THE DEPARTMENT OF AGRICULTURE

The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of Interior, (2) uses of all existing improvements, such as Forest Development Roads, within and outside the area licensed, permitted or leased by the Secretary of Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to: Forest Supervisor
Manti-La Sal National Forest
599 West Price River Drive
Price, Utah 84501

Telephone Number: 801-637-2817

Stipulation #19

ABANDONMENT OF EQUIPMENT:

The lessee/operator is responsible for compliance and reporting regarding toxic and hazardous material and substances under Federal Law and all associated amendments and regulations for the handling of such materials on the land surface and in underground mine workings.

The lessee/operator must remove mine equipment and materials not needed for continued operations, roof support and mine safety from underground workings prior to abandonment of mine sections. Exceptions can be approved by the Authorized Officer (BLM) in consultation with the surface management agency. Any on-site disposal of non-coal waste must comply with 30CFR § 817.89 and must be approved by the regulatory authority responsible for the enforcement of the Surface Mining Control and Reclamation Act (30 U.S.C. 1201, et seq.). Creation of a situation that would prevent removal of such material and equipment by retreat or abandonment of mine sections, without prior authorization would be considered noncompliance with lease terms and conditions and subject to appropriate penalties under the lease.

All safe and accessible areas shall be inspected prior to being sealed. The lessee shall notify the Authorized Officer in writing 30 days prior to the sealing of any areas in the mine and state the reason for closure. Prior to seals being put into place, the lessee shall inspect the area and certify through documentation any equipment/machinery, hazardous substances, and used oil that is intended to be left underground. The Authorized Officer may participate in this inspection. The purpose of this inspection will be: (1) to provide documentation for compliance with 42 U.S.C. 9620 section 120 (h) and State Management Rule R-315-15, and to assure that certification will be meaningful at the time of lease relinquishment, (2) to document the inspection with a mine map showing location of equipment/machinery (model, type of fluid, amount remaining, batteries, etc.) that is proposed to be left underground. In addition, these items will be photographed at the lessee's expense and shall be submitted to the Authorized Officer as part of the certification.

WASTE CERTIFICATION:

The lessee shall provide on a yearly basis and prior to lease relinquishment, certification to the lessor that, based upon a complete search of all the operator's records for the mine and upon their knowledge of past operations, there has been no hazardous substances defined as per (40 CFR 302.4) or used oil as per Utah State Management Rule R-315-15, deposited within the lease, either on the surface or underground, or that all remedial action necessary has been taken to protect human health and the environment with respect to any such substances remaining on the property. The back-up documentation to be provided shall be described by the lessor prior to the first certification and shall include all documentation applicable to the Emergency Planning and Community Right-to-know Act (EPCRA, Public Law 99-499), Title III of the Superfund Amendments and Reauthorization Act of 1986 or equivalent.

Stipulation #20

Notwithstanding the approval of a resource recovery and protection plan by the BLM, lessor reserves the right to seek damages against the operator/lessee in the event (1) the operator/lessee fails to achieve maximum economic recovery [as defined at 43 CFR § 3480.0-5(21)] of the recoverable coal reserves or (2) the operator/lessee is determined to have caused a wasting of recoverable coal reserves. Damages shall be measured on the basis of the royalty that would have been payable on the wasted or unrecovered coal.

The parties recognize that under an approved R2P2, conditions may require a modification by the operator/lessee of that plan. In the event a coal bed or portion thereof is not to be mined or is rendered unminable by the operation, the operator shall submit appropriate justification to obtain approval by the Authorized Officer to leave such reserves unmined.

Upon approval by the Authorized Officer, such coal beds or portion thereof shall not be subject to damages as described above. Further, nothing in this section shall prevent the operator/lessee from exercising its right to relinquish all or portion of the lease as authorized by statute and regulation.

In the event the Authorized Officer determines that the R2P2 as approved will not attain MER as the result of changed conditions, the Authorized Officer will give proper notice to the operator/lessee as required under applicable regulations. The Authorized Officer will order a modification if necessary, identifying additional reserves to be mined in order to attain MER. Upon a final administrative or judicial ruling upholding such an ordered modification, any reserves left unmined (wasted) under that plan will be subject to damages as described in the first paragraph under this section.

Subject to the right to appeal hereinafter set forth, payment of the value of the royalty on such unmined recoverable coal reserves shall become due and payable upon determination by the Authorized Officer that the coal reserves have been rendered unminable or at such time that the lessee has demonstrated an unwillingness to extract the coal.

The BLM may enforce this provision either by issuing a written decision requiring payment of the MMS demand for such royalties, or by issuing a notice of non-' compliance. A decision or notice of non-compliance issued by the lessor that payment is due under this stipulation is appealable as allowed by law.

ATTACHMENT 2

INTERDISCIPLINARY TEAM CHECKLIST

Project Title: Flat Canyon LBA

NEPA Log Number: DOI-BLM-UT-GO23-2013-059-DNA

File/Serial Number: UT-77114

Project Leader: Chris Conrad

DETERMINATION OF STAFF: *(Choose one of the following abbreviated options for the left column)*

NP = not present in the area impacted by the proposed or alternative actions

NI = present, but not affected to a degree that detailed analysis is required

PI = present with potential for relevant impact that need to be analyzed in detail in the EA

NC = (DNAs only) actions and impacts not changed from those disclosed in the existing NEPA documents cited in Section D of the DNA form. The Rationale column may include NI and NP discussions.

Determi- nation	Resource	Rationale for Determination*	Signature	Date
RESOURCES AND ISSUES CONSIDERED (INCLUDES SUPPLEMENTAL AUTHORITIES APPENDIX 1 H-1790-1)				
NC	Air Quality	Implementation of the Proposed Action would not create any new surface disturbance. Continued use of motorized vehicles could potentially continue NOx, PM, and CO emissions. The area is designated as an attainment area for all NAAQS. Under the Proposed Action no air quality permits would be required.	Jeffrey Brower	10/20/14
NP	Areas of Critical Environmental Concern	This is a Known Recoverable Coal Resource Area (KRCRA) and located on the Manti-La Sal Forest Service managed lands. There are no BLM ACECs in the Project Area; ACECs are a BLM-only designation	Don Kranendonk	10/20/14
NP	BLM Natural Areas	There are no BLM Natural Areas in the Project Area.	Matt Blocker	10/20/14
NC	BLM Sensitive Animal Species	With no surface disturbance, occupancy, or subsidence there would not be any negative impacts to BLM sensitive species.	Jared Reese	10/20/14
NC	BLM Sensitive Plant Species	There are no BLM sensitive plant species within the project area.	Dana Truman	10/20/14
NC	Cultural Resources	Cultural Resources are discussed in Section 4.1.11. Cultural surveys are required before all surface disturbing activities. Subsidence is not considered a surface disturbing event, but may affect Native American and Historic structures but only minimally—stone foundations may crack due to tensile strain and fracturing. The analysis is sufficient to protect Cultural Resources.	Chris Conrad	10/22/14

Determination	Resource	Rationale for Determination*	Signature	Date
NC	Greenhouse Gas Emissions	There are currently no regulatory standards for controlling GHG emissions or accepted analytical methods for evaluating project specific impacts related to GHG emissions. As a consequence, the impacts of site-specific proposals cannot be determined. Based on the size of the project, GHG emissions are expected to be minimal.	Jeffrey Brower	10/20/14
NC	Environmental Justice	There are no low income or minority populations that would be disproportionately impacted by the Proposed Action.	Kelly Buckner	10/20/14
NC	Farmlands (Prime or Unique)	According to the NRCS soils surveys and knowledge of the soils, there are no prime and unique soils mapped within the project area.	Jeffrey Brower	10/20/14
NC	Fish and Wildlife Excluding USFWS Listed Species and BLM Sensitive Species	With no surface disturbance, occupancy, or subsidence there would not be any negative impacts to fish and wildlife resources.	Jared Reese	10/20/14
NC	Floodplains	After an inspection of USGS 7.5 minute maps of the area, it is determined no floodplains as defined by EO 11988, FEMA, or Corps of Engineers are found on or near the project area.	Jeffrey Brower	10/20/14
NC	Fuels/Fire Management	The proposed action should not have any additional measurable impacts on fuels/fire management than is already present with the current mining operation.	Kevin Cahill	10/20/14
NC	Geology / Mineral Resources/Energy Production	The actions and impacts have not changed from those disclosed in the existing EIS, BE/BA, and SIR documents cited in Section C of the DNA.	Chris Conrad	10/20/14
NC	Hydrologic Conditions	Hydrologic Conditions are adequately covered in the 2002 ROD.	Jeffrey Brower	10/20/14
NC	Invasive Species/Noxious Weeds	Implementation of the proposed action would have negligible impacts on invasive species/noxious weeds because minimal to no subsidence or surface disturbing activities is expected.	Stephanie Bauer	10/21/14
NC	Lands/Access	Implementation of the proposed action would not conflict with any existing land uses or ROWs in the Project Area as shown by review of LR2000 and the Master Title Plats.	Connie Leschin	10/20/14
NC	Livestock Grazing	Livestock grazing was not considered an issue in the 2002 EIS; vegetation loss was discussed and concluded the proposed mining activities "are not expected to cause any long-term changes to vegetation productivity." Thus negligible impacts to livestock grazing are anticipated.	Dana Truman	10/22/14
NC	Migratory Birds	With no surface disturbance there would not be any negative impacts to migratory birds within the project area.	Jared Reese	10/20/14

Determination	Resource	Rationale for Determination*	Signature	Date
NC	Native American Religious Concerns	As evidenced in the EIS Appendix, Letter 8, the Hopi Tribe was contacted and provided an EIS to consider. The Hopi Tribe requested they be provided copies of any cultural surveys conducted. A Class I Cultural Survey revealed that ten Class III surveys have been completed in the project area comprising 16% of the project area. The inventories indicate "there are few prehistoric archaeological resources in the project area." (EIS Section 3.1.12) Native American Religious Concerns have been adequately addressed.	Chris Conrad	10/22/14
NC	Paleontology	The proposed action is all sub-surface. Any vertebrate fossils encountered would have values subservient to coal and so would not be considered for protection.	Michael Leschin	10/20/14
NC	Rangeland Health Standards	No BLM Rangeland Health Standards are required on National Forest Lands; however, the analysis of vegetation and wildlife in the 2002 EIS is adequate. No long-term impacts will occur.	Dana Truman	10/22/14
NC	Recreation	Section 4.1.8 discusses Recreation. Alternatives are discussed and impacts are adequately discussed.	Don Kranendonk	10/22/14
NC	Socio-Economics	The Flat Canyon Washington Office Briefing indicates that approval of the project will have a positive socio-economic impact. It is estimated that up to 327 direct hire people will be employed as well as an additional 654 indirect hire people (981 total). The electricity produced will supply the needs of 1.3 million people and Federal royalties are estimated to be \$100 million.	Kelly Buckner	10/20/14
NC	Soils	Soils are adequately covered in the 2002 ROD.	Jeffrey Brower	10/20/14
NC	Threatened, Endangered or Candidate Animal Species	A portion of the project area falls within an area identified as Greater Sage-grouse habitat. Consultation with UDWR in accordance with IM-2012-043 was initiated. On October 9 th a letter was sent to the BLM stating that the area proposed for license and exploration, though within an SGMA, should be classified as non-habitat based on topography and vegetation. Therefore, impacts to sage-grouse should not occur.	Jared Reese	10/20/14
NC	Threatened, Endangered or Candidate Plant Species	No T and E plants are known to occur within the project area. The analysis in the 2002 EIS is adequate.	Dana Truman	10/20/14
NC	Wastes (hazardous or solid)	The actions and impacts have not changed from those disclosed in the existing EIS, BE/BA, and SIR documents cited in Section C of the DNA.	Jeffrey Brower	10/20/14

Determination	Resource	Rationale for Determination*	Signature	Date
NC	Water Resources/Quality and Quantity (drinking/surface/ground)	Water Resources and Water Quality are adequately covered in the 2002 ROD	Jeffrey Brower	10/20/14
NC	Wetlands/Riparian Zones	The actions and impacts have not changed from those disclosed in the existing EIS, BE/BA, and SIR documents cited in Section C of the DNA.	Jeffrey Brower	10/20/14
NC	Wild and Scenic Rivers	There are no suitable wild and scenic segments in the project area.	Matt Blocker	10/20/14
NP	Wilderness/WSA	The project area is in a Known Recoverable Coal Resource Area (KRCRA). There are no inventoried areas of wilderness characteristics in the project area. There are no WSAs or wilderness areas.	Matt Blocker	10/20/14
NC	Woodland / Forestry	There area has minimal scattered trees; therefore, implementation of the proposed action would have negligible impacts on woodland/forestry because minimal to no subsidence is expected.	Stephanie Bauer	10/21/14
NC	Vegetation Excluding USFWS Designated Species and BLM Sensitive Species	The vegetation within the project area is considered to be common to Manti-La Sal. The vegetation was adequately analyzed in the 2002 EIS. There have been no changes to the vegetation or analysis.	Dana Truman	10/20/14
NC	Visual Resources	Section 4.1.9 in the 2002 EIS discusses Visual effects. Visual impacts are discussed and they are adequately disclosed.	Don Kranendonk	10/22/14
NP	Wild Horses and Burros	The wildlife analysis states Big game and small animals would probably avoid activity area until activities are completed. Afterwards the system would return to normal. If Wild Horses and Burros are present there would be no impacts. The analysis in the 2002 EIS is sufficient.	Mike Tweddell	10/20/14

FINAL REVIEW:

Reviewer Title	Signature	Date	Comments
Environmental Coordinator	Dana Truman <i>Dana Truman</i>	2-19-15	
Authorized Officer	Ahmed Mohsen <i>Ahmed Mohsen</i>	2/19/15	



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Wildlife Resources

GREGORY SHEEHAN
Division Director

October 9, 2014

RECEIVED

OCT 14 2014

BLM
PRICE, UT

Ahmed Mohson 
Field Office Manager
Bureau of Land Management
125 South 600 West
Price, UT 84501

Dear Mr. Mohson:

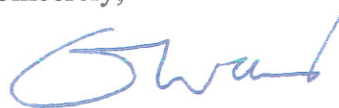
The Utah Division of Wildlife Resources (DWR) has reviewed the Flat Canyon coal lease tract environmental impact statement. The proposal is within an area identified as a Sage-grouse Management Area (SGMA) by the State of Utah, specifically the Carbon SGMA. The lease area contains small acreage mapped as habitat or opportunity areas for sage-grouse. However, as identified in the state's *Conservation Plan for Greater Sage-grouse in Utah* (2013)

The GIS maps which accompany this Plan contain representations of these boundaries for informational purposes ... and are not intended to be the final authority for habitat delineation issues ... If in the review of any proposal or other action, differences between the maps and the on-the-ground situation become apparent, the on-the-ground boundaries shall control.

Based upon a more detailed site specific review, it has been determined by the DWR that the areas proposed for license and exploration, though within an SGMA, should be classified as non-habitat for greater sage-grouse based on topography and vegetation. When an area is classified as non-habitat, the above mentioned plan states "no specific management provisions are proposed for non-habitat areas within sage-grouse management areas except to ... note that, birds may fly over the non-habitat as they connect to other populations or seasonal habitat areas."

Thank you for consulting with the DWR to determine the precise delineation of sage-grouse habitat for this development proposal. Please employ the above determination in your analysis. If you have any questions, please call Makeda Hanson (435-630-0805) in our Price office.

Sincerely,



Christopher Wood
Regional Supervisor

mjh
cc:
Jared Reese, Vaughn Hughes



